## HOUSE SUBSTITUTE

FOR

## SENATE BILL NO. 932

1 AN ACT

- 2 To repeal sections 287.020, 287.067, 287.800,
- and 288.060, RSMo, and to enact in lieu
- 4 thereof four new sections relating to
- 5 employment.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 287.020, 287.067, 287.800, and 288.060, RSMo, is repealed and four new sections enacted in lieu thereof, to be known as sections 287.020, 287.067, 287.800, and 288.060, to read as follows:

287.020. 1. The word "employee" as used in this chapter shall be construed to mean every person in the service of any employer, as defined in this chapter, under any contract of hire, express or implied, oral or written, or under any appointment or election, including executive officers of corporations. Any reference to any employee who has been injured shall, when the employee is dead, also include his dependents, and other persons to whom compensation may be payable. The word "employee" shall also include all minors who work for an employer, whether or not such minors are employed in violation of law, and all such minors are hereby made of full age for all purposes under, in connection

with, or arising out of this chapter. The word "employee" shall not include an individual who is the owner and operator of a motor vehicle which is leased or contracted with a driver to a for-hire common or contract motor vehicle carrier operating within a commercial zone as defined in section 390.020 or 390.041, RSMo, or operating under a certificate issued by the motor carrier and railroad safety division of the department of economic development or by the interstate commerce commission.

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- 2. (1) The word "accident" as used in this chapter shall, unless a different meaning is clearly indicated by the context, [be construed to] mean an unexpected or unforeseen identifiable event or series of events happening suddenly and violently, with or without human fault, and producing at the time objective symptoms of an injury immediately resulting from the specific event or series of events. For purposes of this chapter, any event or series of events shall be identifiable by their time and place of occurrence. An injury is compensable if it is clearly work related. An injury is clearly work related if work was [a substantial] the prevailing factor in the cause of the resulting medical condition or disability. An injury is not compensable merely because work was a triggering or precipitating factor.
- (2) "Prevailing factor" shall mean the accident is the primary factor in relation to any other factors, such that when compared to the other factors individually and not collectively, the accident has a greater effect than any of the other factors

## on the resulting medical condition or disability.

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- 3. (1) In this chapter the term "injury" is hereby defined to be an injury which has arisen out of and in the course of employment. The injury must be incidental to and not independent of the relation of employer and employee. An injury by accident shall be compensable only if the accident was the prevailing factor in causing the resulting medical condition. Ordinary, gradual deterioration or progressive degeneration of the body caused by aging shall not be compensable, except where the deterioration or degeneration follows as an incident of employment.
- (2) An injury shall be deemed to arise out of and in the course of the employment only if all of the following criteria are met:
- (a) It is reasonably apparent, upon consideration of all the circumstances, that the [employment] accident is [a substantial] the prevailing factor in causing the injury; and
- (b) [It can be seen to have followed as a natural incident of the work; and
- (c) It can be fairly traced to the employment as a proximate cause; and
- (d) I It does not come from a hazard or risk unrelated to the employment to which workers would have been equally exposed outside of and unrelated to the employment in normal nonemployment life; and

(c) The injury is demonstrated and certified by a physician using medical evidence based only on objective relevant medical findings; and

- (d) The circumstances of the claimant's employment created an increased risk or hazard which resulted in the injury.
- violence to the physical structure of the body and to the personal property which is used to make up the physical structure of the body, such as artificial dentures, artificial limbs, glass eyes, eyeglasses, and other prostheses which are placed in or on the body to replace the physical structure and such disease or infection as naturally results therefrom. These terms shall in no case except as specifically provided in this chapter be construed to include occupational disease in any form, nor shall they be construed to include any contagious or infectious disease contracted during the course of the employment, nor shall they include death due to natural causes occurring while the worker is at work.
- 4. Missouri does not apply or follow the positional risk analysis, positional risk doctrine, or positional risk rule. The positional risk doctrine is not to be followed under this chapter and any holding or statement of a judicial opinion or award which recognizes and purportedly follows this rule is hereby abrogated.
- 5. This chapter shall not apply to personal health conditions of an employee which manifest themselves in the

employment in which an accident is not the prevailing factor in the resulting need for medical treatment.

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- [4.] 6. "Death" when mentioned as a basis for the right to compensation means only death resulting from such violence and its resultant effects occurring within three hundred weeks after the accident; except that in cases of occupational disease, the limitation of three hundred weeks shall not be applicable.
- [5.] 7. Without otherwise affecting either the meaning or interpretation of the abridged clause, "personal injuries arising out of and in the course of such employment", it is hereby declared not to cover workers except while engaged in or about the premises where their duties are being performed, or where their services require their presence as a part of such service.
- [6.] <u>8.</u> A person who is employed by the same employer for more than five and one-half consecutive work days shall for the purpose of this chapter be considered an "employee".
- [7.] 9. The term "total disability" as used in this chapter shall mean inability to return to any employment and not merely mean inability to return to the employment in which the employee was engaged at the time of the accident.
- [8.] 10. As used in this chapter and all acts amendatory thereof, the term "commission" shall hereafter be construed as meaning and referring exclusively to the labor and industrial relations commission of Missouri, and the term "director" shall hereafter be construed as meaning the director of the department

of insurance of the state of Missouri or such agency of government as shall exercise the powers and duties now conferred and imposed upon the department of insurance of the state of Missouri.

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- [9.] 11. The term "division" as used in this chapter means the division of workers' compensation of the department of labor and industrial relations of the state of Missouri.
- [10.] 12. For the purposes of this chapter, the term "minor" means a person who has not attained the age of eighteen years; except that, for the purpose of computing the compensation provided for in this chapter, the provisions of section 287.250 shall control.
- 13. In applying provisions of this chapter, it is the intent of the legislature to reject and abrogate earlier case law interpretations of cases "arising out of" and "in the course of the employment", to include, but not be limited to, holdings in cases such as Bennett v. Columbia Health Care and Rehabilitation, 80 S.W.3d 524 (Mo.App. W.D. 2002); Kasl v. Bristol Care, Inc., 984 S.W.2d 852 (Mo.banc 1999); and Drewes v. TWA, 984 S.W.2d 512 (Mo.banc 1999).
- 287.067. 1. In this chapter the term "occupational disease" is hereby defined to mean, unless a different meaning is clearly indicated by the context, an identifiable disease arising with or without human fault out of and in the course of the employment. Ordinary diseases of life to which the general

public is exposed outside of the employment shall not be compensable, except where the diseases follow as an incident of an occupational disease as defined in this section. The disease need not to have been foreseen or expected but after its contraction it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence. "Occupational disease" means only a disease for which there are epidemiological studies showing that exposure to the specific substance involved, at the levels to which the employee was exposed, may cause the precise disease sustained by the employee.

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- 2. An occupational disease is compensable only if [it is clearly work related and meets the requirements of an injury which is compensable as provided in subsections 2 and 3 of section 287.020. An occupational disease is not compensable merely because work was a triggering or precipitating factor] the occupational exposure was the prevailing factor in causing the resulting medical condition.
- (1) Ordinary, gradual deterioration, or progressive degeneration of the body caused by aging shall not be compensable.
- (2) "Prevailing factor" shall mean the occupational exposure is the primary factor in relation to any other factors, such that when compared to the other factors individually and not collectively, the accident has a greater effect than any of the

other factors on the resulting medical condition or disability.

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- (3) The occupational exposure must be demonstrated and certified by a physician only using medical evidence based on objective relevant medical findings.
- 3. An occupational disease or occupational exposure injury shall be deemed to rise out of and in the course of the employment only if all of the following increased risks are met:
- (1) It is reasonably apparent upon consideration of all the circumstances that the occupational disease is the prevailing factor in causing the injury; and
- (2) It does not come from a hazard or risk unrelated to the employment to which workers would have been equally exposed outside of and unrelated to the employment in normal nonemployment life; and
- (3) The injury is demonstrated and certified by a physician only using medical evidence based on objective relevant medical findings; and
- (4) If the circumstances of the claimant's employment led to an increase in the risk or hazard which resulted in the injury.
- 4. Missouri does not apply or follow the positional risk analysis, positional risk doctrine, or positional risk rule. The positional risk doctrine is not to be followed under this chapter and any holding or statement of a judicial opinion or award which recognizes and purportedly follows this rule is hereby abrogated.

5. "Loss of hearing due to industrial noise" is recognized as an occupational disease for purposes of this chapter and is hereby defined to be a loss of hearing in one or both ears due to prolonged exposure to harmful noise in employment. "Harmful noise" means sound capable of producing occupational deafness.

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- [4.] 6. "Radiation disability" is recognized as an occupational disease for purposes of this chapter and is hereby defined to be that disability due to radioactive properties or substances or to Roentgen rays (X rays) or exposure to ionizing radiation caused by any process involving the use of or direct contact with radium or radioactive properties or substances or the use of or direct exposure to Roentgen rays (X rays) or ionizing radiation.
- [5.] 7. Disease of the lungs or respiratory tract, hypotension, hypertension, or disease of the heart or cardiovascular system, including carcinoma, may be recognized as occupational diseases for the purposes of this chapter and are defined to be disability due to exposure to smoke, gases, carcinogens, inadequate oxygen, or psychological stress of firefighters of a paid fire department if a direct causal relationship is established.
- [6.] <u>8.</u> Any employee who is exposed to and contracts any contagious or communicable disease arising out of and in the course of his or her employment shall be eligible for benefits under this chapter as an occupational disease.

[7.] 9. With regard to occupational disease due to repetitive motion, if the exposure to the repetitive motion which is found to be the cause of the injury is for a period of less than three months and the evidence demonstrates that the exposure to the repetitive motion with a prior employer was the [substantial contributing] prevailing factor [to] in causing the injury, the prior employer shall be liable for such occupational disease.

- [liberally] impartially construed to their plain meaning with a view to the public welfare[, and a substantial compliance therewith shall be sufficient to give effect to rules, regulations, requirements, awards, orders or decisions of the division and the commission, and they shall not be declared inoperative, illegal or void for any omission of a technical nature in respect thereto]. The labor and industrial relations commission and all officials within the division of workers' compensation shall apply an impartial standard of review when weighing evidence and resolving factual conflicts.
- 288.060. 1. All benefits shall be paid through employment offices in accordance with such regulations as the division may prescribe.
- 2. Each eligible insured worker who is totally unemployed in any week shall be paid for such week a sum equal to his weekly benefit amount.

3. Each eligible insured worker who is partially unemployed in any week shall be paid for such week a partial benefit. Such partial benefit shall be an amount equal to the difference between his weekly benefit amount and that part of his wages for such week in excess of twenty dollars, and, if such partial benefit amount is not a multiple of one dollar, such amount shall be reduced to the nearest lower full dollar amount. Termination pay, severance pay or pay received by an eligible insured worker who is a member of the organized militia for training or duty authorized by section 502(a)(1) of Title 32, United States Code[, or who is an elected official] shall not be considered wages for the purpose of this subsection.

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4. The division shall compute the wage credits for each individual by crediting him with the wages paid to him for insured work during each quarter of his base period or twenty-six times his weekly benefit amount, whichever is the lesser. In addition, if a claimant receives wages in the form of termination pay or severance pay and such payment appears in a base period established by the filing of an initial claim, the claimant may, at his option, choose to have such payment included in the calendar quarter in which it was paid or choose to have it prorated equally among the quarters comprising the base period of the claim. The maximum total amount of benefits payable to any insured worker during any benefit year shall not exceed twenty-six times his weekly benefit amount, or thirty-three and

one-third percent of his wage credits, whichever is the lesser. For the purpose of this section, wages shall be counted as wage credits for any benefit year, only if such benefit year begins subsequent to the date on which the employing unit by whom such wages were paid has become an employer. The wage credits of an individual earned during the period commencing with the end of a prior base period and ending on the date on which he filed an allowed initial claim shall not be available for benefit purposes in a subsequent benefit year unless, in addition thereto, such individual has subsequently earned either wages for insured work in an amount equal to at least five times his current weekly benefit amount.

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- 5. In the event that benefits are due a deceased person and no petition has been filed for the probate of the will or for the administration of the estate of such person within thirty days after his death, the division may by regulation provide for the payment of such benefits to such person or persons as the division finds entitled thereto and every such payment shall be a valid payment to the same extent as if made to the legal representatives of the deceased.
- 6. The division is authorized to cancel any benefit warrant remaining outstanding and unpaid one year after the date of its issuance and there shall be no liability for the payment of any such benefit warrant thereafter.

7. The division may establish an electronic funds transfer system to transfer directly to claimants' accounts in financial institutions benefits payable to them pursuant to this chapter. To receive benefits by electronic funds transfer, a claimant shall satisfactorily complete a direct deposit application form authorizing the division to deposit benefit payments into a designated checking or savings account. Any electronic funds transfer system created pursuant to this subsection shall be administered in accordance with regulations prescribed by the division.

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8. The division may issue a benefit warrant covering more than one week of benefits.